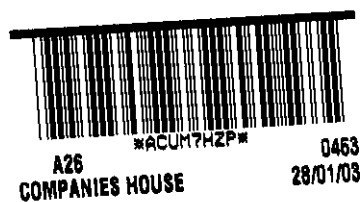


Company Registration No. 3694607 (England and Wales)

PREMIER PIPELINE LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2002



REID WILLIAMS
CHARTERED ACCOUNTANTS
READING AND FLEET

PREMIER PIPELINE LIMITED

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PREMIER PIPELINE LIMITED

AUDITORS' REPORT TO PREMIER PIPELINE LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 May 2002 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND AUDITORS

The director is responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 4 are properly prepared in accordance with those provisions.



REID WILLIAMS

**Chartered Accountants and
Registered Auditor**

28 November 2002

Prince Regent House
108 London Street
Reading, Berks

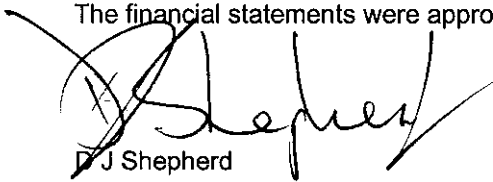
PREMIER PIPELINE LIMITED

ABBREVIATED BALANCE SHEET 31 MAY 2002

	Notes	£	2002 £	£	2001 £
ASSETS EMPLOYED:					
FIXED ASSETS					
Intangible assets	2		135,517		154,876
Tangible assets	2		8,005		855
			<u>143,522</u>		<u>155,731</u>
CURRENT ASSETS					
Stocks		85,681		68,236	
Debtors		105,284		123,704	
Cash at bank and in hand		170,591		63,730	
		<u>361,556</u>		<u>255,670</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		<u>(247,288)</u>		<u>(203,006)</u>	
NET CURRENT ASSETS			<u>114,268</u>		<u>52,664</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>257,790</u>		<u>208,395</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
			<u>(145,000)</u>		<u>(145,000)</u>
			<u>112,790</u>		<u>63,395</u>
FINANCED BY:					
CAPITAL AND RESERVES					
Called up share capital	3		51,000		51,000
Profit and loss account			61,790		12,395
Shareholders' funds			<u>112,790</u>		<u>63,395</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. The financial statements from which they have been prepared have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002)

The financial statements were approved by the board on 28 November 2002


D J Shepherd
Director

PREMIER PIPELINE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2002

1 ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Goodwill represents the excess of consideration paid over the estimated value of net assets acquired, less amounts written off. Goodwill is written off in equal annual instalments over its estimated useful economic life.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	At 25% on cost
Motor vehicles	At 20% on cost

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 FIXED ASSETS

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 June 2001	193,594	6,257	199,851
Additions	-	10,000	10,000
At 31 May 2002	193,594	16,257	209,851
Depreciation			
At 1 June 2001	38,718	5,404	44,122
Charge for the year	19,359	2,848	22,207
At 31 May 2002	58,077	8,252	66,329
Net book value			
At 31 May 2002	135,517	8,005	143,522
At 31 May 2001	154,876	855	155,731

PREMIER PIPELINE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2002

3	SHARE CAPITAL	2002 £	2001 £
	Authorised		
	51,000 Ordinary shares of £1 each	51,000	51,000
		<u>51,000</u>	<u>51,000</u>
	Allotted, called up and fully paid		
	51,000 Ordinary shares of £1 each	51,000	51,000
		<u>51,000</u>	<u>51,000</u>